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RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

American Land Conservancy
1388 Sutter Street, Suite 810
San Francisco, CA 94109
Attn: Harriet Burgess

DOC#: 2005013390



Titles: 1	Pages: 12
Fees	40.00
Taxes	0.00
Others	0.00
PAID	\$40.00

Space Above This Line for Recorder's Use

MEMORANDUM OF AGREEMENT REGARDING EAST SIDE "EXCLUDED" AREAS

This is a memorandum (the "Memorandum") of that certain unrecorded Agreement Regarding East Side "Excluded" Areas (the "Agreement"), effective February 18, 2005 (the "Effective Date"), by and among HEARST HOLDINGS, INC., a Delaware corporation ("Hearst"), AMERICAN LAND CONSERVANCY, a California nonprofit public benefit corporation ("ALC"), and CALIFORNIA RANGELAND TRUST, a California nonprofit public benefit corporation ("CRT").

Subject to the terms and conditions of the Agreement, Hearst, ALC and CRT have agreed that the real property located in San Luis Obispo County, California, referred to by such parties as the "TNC Reverter Area" and the "Polar Star Mining Area" and described in Exhibit A and Exhibit B, respectively, attached hereto and incorporated herein by this reference, shall be subject to the terms and conditions of that certain Deed of Conservation Easement and Agreement Concerning Easement Rights of even date herewith, by Hearst to ALC, recorded in the Official Records of San Luis Obispo County, California, on February 18, 2005, as Document No. 2005013388 (the "East Side Easement").

Also, subject to the terms and conditions of the Agreement, Hearst, ALC and CRT have agreed that the real property located in San Luis Obispo County, California, referred to by such parties as the "State Parks Expansion Envelope" and described in Exhibit C, and depicted on Exhibit D, attached hereto and incorporated herein by this reference, shall be subject to the terms and conditions of the East Side Easement for an interim period commencing on the Effective Date and terminating on the date that Hearst conveys to the State of California, acting on behalf of the Department of Parks and Recreation of the State of California ("State Parks"), the "Dedication Area" (as defined in that certain Agreement and Irrevocable Offer to Dedicate by Gift (Expansion Envelope) of even date herewith, by Hearst to State Parks, recorded in the Official Records of San Luis Obispo County, California, on February 18, 2005, as Document No. 2005013392).

Also, subject to the terms and conditions of the Agreement, Hearst has agreed to donate and convey the real property located in San Luis Obispo County, California, referred to as the "Rock Islets" and described in Exhibit E, attached hereto and incorporated herein by this reference, directly or indirectly through ALC to a public agency, subject to the terms and conditions set forth in the Agreement.


The Agreement is incorporated herein by this reference as though set forth in full. In the event of any inconsistency between this Memorandum and the Agreement, the Agreement shall control for all purposes and in all respects.

This Memorandum may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties authorize each other to detach and combine, or cause to be detached and combined, original signature pages and consolidate them into a single identical original for recordation of this Memorandum in the Official Records of San Luis Obispo County, California.

IN WITNESS WHEREOF, the parties have executed this Memorandum as set forth below.

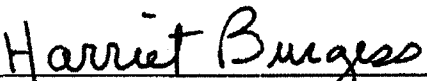
HEARST:

HEARST HOLDINGS, INC., a Delaware corporation

By: 
Stephen T. Hearst
Vice President and Manager
San Simeon Ranch Division

ALC:

AMERICAN LAND CONSERVANCY, a California nonprofit public benefit corporation

By: 
Harriet Burgess, President

CRT:

CALIFORNIA RANGELAND TRUST, a California nonprofit public benefit corporation

By: 
Nita Vail, Executive Director

Exhibits

- A - Legal Description of TNC Reverter Area
- B - Legal Description of Polar Star Mining Area
- C - Legal Description of State Parks Expansion Envelope
- D - Map of State Parks Expansion Envelope
- E - Legal Description of the Rock Islets